

Energy Efficiency Portfolio Standard

USEPA Air Innovations – Chicago IL

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New Jersey's Integrated Approach Goals and Objectives

- **EE (including CHP) and new RE will provide for 100% of New Jersey's energy growth by 2012**

20% annual increase in electric and natural gas energy efficiency

300 MW of Class I RE facilities (includes 90 MW PV) by 2008

NJ's Clean Energy Program

Non-By-passable charge on all electric and NG use

Average Funding Level - \$ 187 Million per year - 4 years

44% for electric EE 19% for Natural Gas EE and 37% for RE

Avg. Cost \$19/HH/yr electric \$ 14/HH/yr natural gas

1-2 % of total bill (1% rate increase over 4 years)

Rebate for Capital Cost for EE and RE technology



NJ's Clean Energy Program Results – Energy Efficiency

**NJ residents and business use 74,000,000
MWh per year increasing at 1% per year**

**NJCEP saves 330,000 MWh per year or 44%
of energy growth and will generate 135,000
MWh of RE electricity or 18% of energy growth**

**To achieve the program goal something
MORE needs to be done**

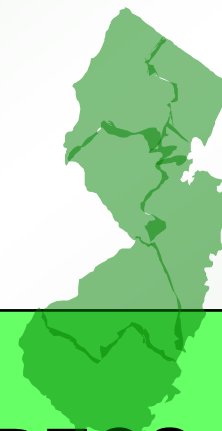


Renewable Energy Portfolio Standard

**NJ electric supplier must provide a
percentage of their electricity as renewable
3.5% by 2005 - 7 MW of PV
6.5 % by 2008 - 90 MW of PV
20% by 2020 – 1500 MW of PV**

**Compliance with NJ's RPS through
Renewable Energy Certificates (RECs)
1 MWh of renewable energy = 1 REC
LFG REC \$5, Wind REC \$15, Solar REC \$200**

NJ's RPS – REC Value Per Year



Year	Class 1 – Class 2 and Solar RECs	Solar RECS
2004	\$ 14,009,400	\$ 1,448,000
2008	\$ 48,746,600	\$ 15,080,000
2020	\$ 222,275,800	\$ 126,000,000

**NJ's RE goals will be achieved
through the RPS and financed by RECs**

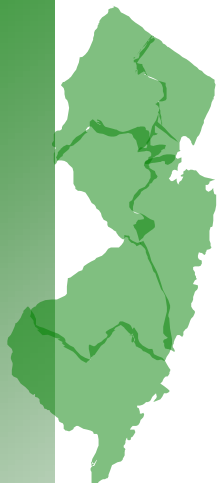
Energy Efficiency Portfolio Standard - EEPS

Energy codes and appliance standards set the floor for EE but to achieve MORE will be by establishing a market based Energy Efficiency Portfolio Standard which will require that each electric supplier provide a percentage of electricity through an EEPS

Compliance with EEPS through Energy Efficiency Certificates (EECs)

1 MWh of energy efficiency = 1 EEC

EEC will be used to finance EE projects



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